

No Small Change

**Brownfields \$ Available Through
the Dept of Commerce**

August 21, 2002

Presenters

Joe Leo

**Blight Elimination and Brownfield
Redevelopment Grants**

(608) 267-0751

Jason Scott

Brownfield Grant Program

(608) 261-7714

Wisconsin Department of Commerce

General BEBR Information

- ◆ Administered by the Bureau of Community Finance at the Department of Commerce.
- ◆ Applications are accepted continually.
- ◆ Financed through the Community Development Block Grant (CDBG) and the Department of Housing and Urban Development (HUD).

Funding Available

- ◆ BEBR projects are funding using up to 2% of the total CDBG funds allocated to the State by HUD.
- ◆ Each project is eligible for up to \$100,000 for environmental assessments costs and up to \$500,000 for remediation activities.

Match Requirement

- ◆ BEBR funds can pay for up to 75% of eligible project costs. The grantee must provide at least 25% of the project cost as match.
- ◆ The match can be provided by the community, developer, or end-user.

Eligible Applicants

- ◆ Town, Villages, Cities that are not entitlement communities (Under 50,000 in population).
- ◆ Any county other than Milwaukee, Waukesha, and Dane Counties.
- ◆ There are exceptions to these rules. Please contact me to determine eligibility.

Eligible Projects

- ◆ Blighted or environmentally contaminated brownfield sites that will be used for a taxable use upon redevelopment.
- ◆ Brownfield and blighted site is defined in Comm 108.03.

Selection Criteria

- ◆ Projects that have a redevelopment plan will be looked at more favorably than those that do not.
- ◆ Amount and quality of jobs created/retained by the project.
- ◆ Amount of private investment and tax base increase as a result of the redevelopment activities.

Selection Criteria cont.

- ◆ Cost of alternatives to redevelopment of the site, i.e. cost of installing new infrastructure to accommodate the business, inefficiencies created in product or raw material flow as a result of choosing another location, etc.
- ◆ Level of economic distress in the area.
- ◆ Importance of the company to the community.

Application Process

- ◆ Contact me to discuss the project.
Generally a site visit will be scheduled.
- ◆ Complete the BEBR Project Data Sheet and have the company complete the Company Prospect Data Sheet.
- ◆ Once this is complete, we will review the project and make a funding decision.

Project Commitment

- ◆ If Commerce decides to fund the project, it will issue the community a commitment letter. This letter is contingent on several items. These will be discussed with the community at the time of commitment.
- ◆ The project cannot start until the community has been issued a commitment letter.

Brownfields Grant Program

- ◆ \$6.25 million available for remediation and economic redevelopment projects
- ◆ \$1.25 million maximum award

**Applications due:
Friday, October 25th, 2002**

Milwaukee - Sherman Perk

Before



Milwaukee - Sherman Perk

After



Oshkosh - Radford Village Apartments

Before



Oshkosh - Radford Village Apartments

After



Eligible Applicants

Individual

Partnership

Limited Liability Company

Corporation

Nonprofit Organization

City / Village / Town

County

Trustee

Grant Requirements

- ◆ Viable causer must be unknown, cannot be located, or is financially unable to pay the cost of the clean-up.
- ◆ Phase I and II Assessments must be performed prior to application submittal.
- ◆ Local match requirement:
 - ❖ 20% for grants \$1 - \$300,000
 - ❖ 35% for grants \$300,001 - \$700,000
 - ❖ 50% for grants \$700,001 - \$1,250,000

Eligible Activities

◆ Environmental Costs:

- ❖ Investigation, remediation, monitoring
- ❖ Removal of tanks, drums, and hazardous waste

◆ Redevelopment Costs:

- ❖ Site acquisition
- ❖ Building demolition or renovation
- ❖ Infrastructure improvements

Ineligible Activities

- ◆ New Construction (unless used for remediation purposes)
- ◆ Federal or state property liens
- ◆ Delinquent taxes or penalties
- ◆ Project overhead
 - ❖ Grant administration
 - ❖ Architectural, accounting, legal fees
 - ❖ Financing and relocation costs

Application Review

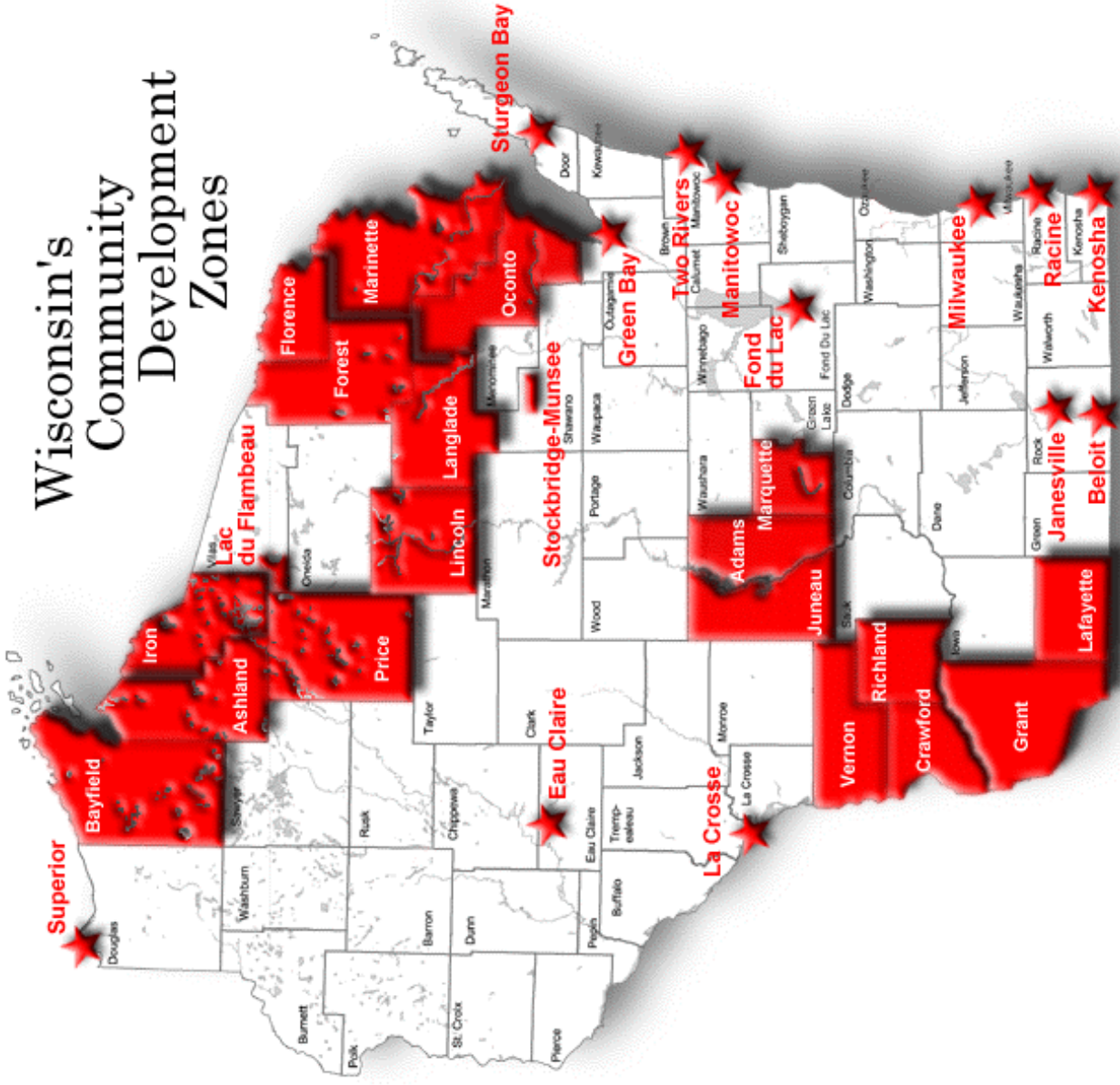
- ◆ Applications
 - 50% economic development potential
 - 25% environmental need
 - 15% match quality and quantity
 - 10% innovativeness in approach
- ◆ Scoring Committee Review
- ◆ Awards in early 2003

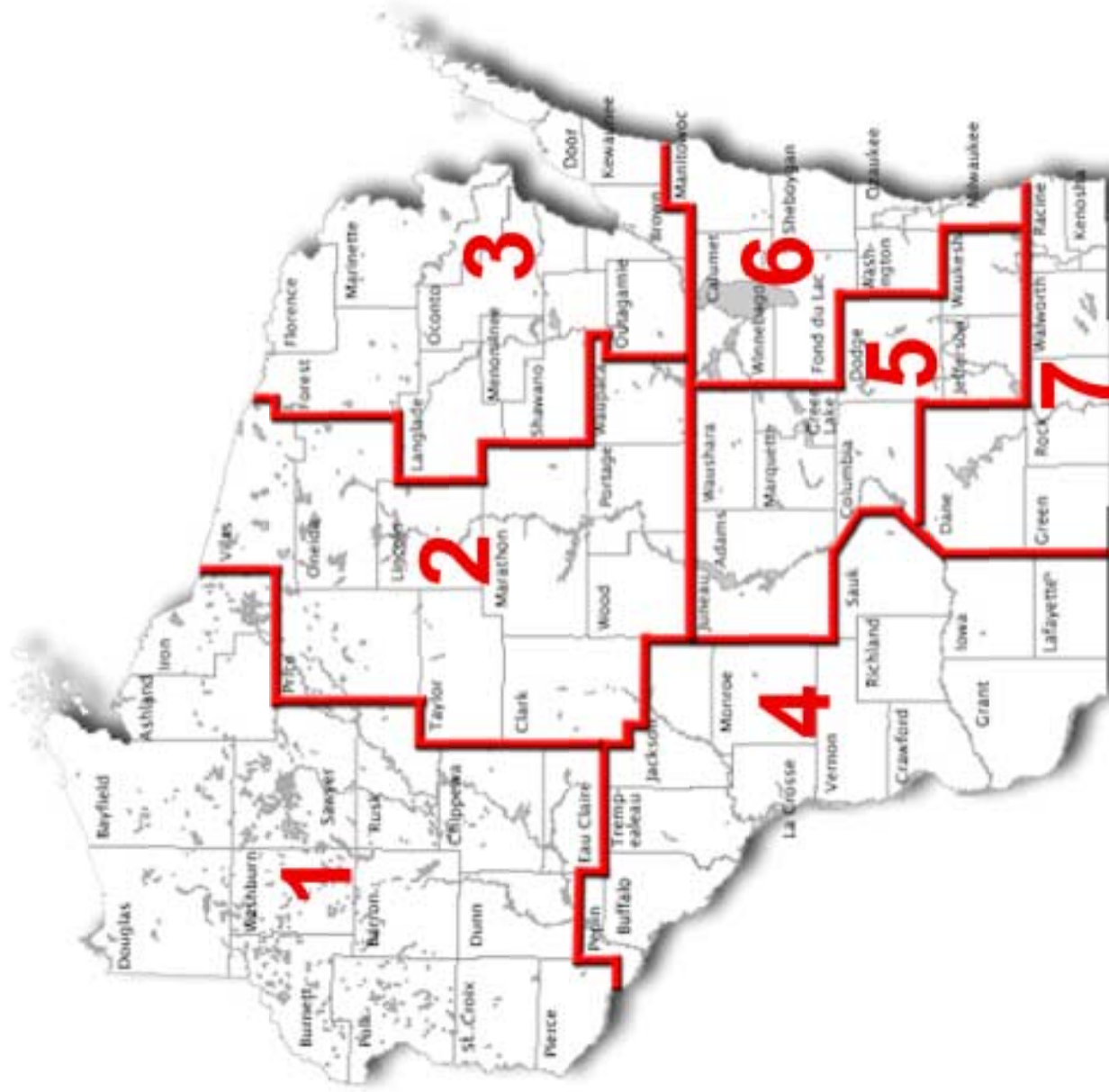
Petroleum Environmental Cleanup Fund Award (PECFA)

- ◆ Up to \$190,000 reimbursed for investigation and remediation costs for petroleum UST's and AST's
- ◆ Program Specifics:
 - ❖ Commodity Bidding
 - ❖ \$40,000 investigation cap
 - ❖ \$60,000+ remediations to public bid

Development Zone Tax Credits

- ◆ Community and Enterprise Zones
designation based on economic distress
- ◆ 10 EDZ's to be established based on
contamination
- ◆ 50% income tax credit for investigation or
remediation expenses

Wisconsin's
Community
Development
Zones



April 2002

Area Development Managers

Region 1: Mary Ambros: (715) 836-2630

Region 2: Deb Clements: (715) 344-1381

Region 3: Dennis Russell: (920) 498-6302

Region 4: William Winter: (608) 266-2059

Region 5: Kathy Heady: (608) 266-9944

Region 6: William Lehman: (920) 929-0242

Region 7: Dan Madden: (608) 261-7710

Commerce Contacts

Brownfields Grant Program

Jason Scott, (608) 261-7714

BEBR

Joe Leo, (608) 267-0751

PECFA

Dennis Legler, (608) 267-7642

Development Zone Tax Credits

Bill Wheeler, (608) 267-2045

www.commerce.state.wi.us

Q & A

